

UNDER SECRETARY OF STATE  
FOR MANAGEMENT  
WASHINGTON

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October 7, 1982

MEMORANDUM

TO: See Distribution Below  
FROM: M - Undersecretary Kennedy *[Signature]*  
SUBJECT: IG on IAEA Reassessment: Oct 4 Meeting

There was general agreement at the meeting that:

-- the US is committed to strengthen the IAEA, but, at the same time;

-- extraneous political activity must be reduced in that Agency as well as in the UN specialized agencies;

-- in addition to obtaining a short-term remedy for what happened at the General conference, it is necessary to seek longer term, more fundamental reforms in the IAEA which will make that Agency more amenable to our interests (i.e., a strong safeguards system).

Therefore, this IG will immediately begin a study, with a target completion date of one month, to, inter alia:

-- define the dimensions of the problem;

-- determine the costs and benefits of the IAEA for the U.S;

-- ascertain the effects elsewhere in the UN system resulting from US actions toward the IAEA.

-- determine the steps necessary to ensure that the IAEA can effectively discharge its responsibilities, and define our options with pros and cons.

The first draft of this paper, to be circulated before the IG meeting on October 12, will be discussed at that meeting.

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Other actions to be taken are:

- 1) A small group will be established, including representatives from OES, IO, S/P and DOE, to recommend as soon as possible dramatic step or steps which the US could take toward the IAEA in order to send a strong signal to the entire UN system.
- 2) The CIA will provide an assessment of the importance of the IAEA to the US, and the reasons why the US has had difficulty convincing others both of that importance and the seriousness of our intent to bring out constructive changes.
- 3) The Legal Advisors Office, in consultation with others, will prepare a paper examining the possibility of seeking remedial action, for example, from the International Court of Justice, from a special Board of Governors meeting, or from a special General Conference.
- 4) NEA will prepare a paper discussing the contribution which Israel might make toward helping resolve the problem (the linkages between the credentials rejection, the Iraqi reactor raid, full-scope safeguards, possible attacks on Israel in other UN agencies, and the larger Middle East question).
- 5) A small group, jointly chaired by IO and OES, will be established to review on a continuing basis Mission recommendations regarding participation by specific individuals in IAEA-sponsored activities.

Finally, it was agreed that there be on a common line to be used by all agencies in responding to press inquiries (a statement for general release will be prepared for consideration at the next IG meeting).

The next meeting of the IG will be on Tuesday, October 12 at 3:00 p.m. in room 6909.

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